

## THE INFLUENCES OF LOCAL FASHION PRODUCT COMPETITIVENESS ON THE PURCHASE INTENTION OF IMPORTED PRODUCT AMONG GENERATION Z

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### Abstract

*The development of the creative industry, especially in fashion, is crucial for local businesses to compete against the widespread availability of imported products. This research aims to identify and analyze the influence of local fashion product competitiveness on the purchase intention of imported products. The researcher selected Generation Z as the sample, considering them a consumer group capable of adapting to rapidly changing technological advancements. Data was collected by distributing online questionnaires to 44 Generation Z respondents in Bandung, using a single-variable linear relationship parametric test method or simple linear regression. The independent variable (X) represents the competitiveness of local products, while the dependent variable (Y) is the purchase intention towards imported products. The analysis results indicate a positive relationship between variable X and variable Y. The data generated from the parametric test of the dependent variable is  $Y = 14.449 + 0.519X$ , with the independent variable X (competitiveness) influencing the dependent variable Y (purchase intention) by a coefficient of determination ( $R^2$ ) of 12.8%, with the remaining percentage attributed to other factors. The t-test shows that competitiveness partially has a significant effect on purchase intention ( $t\text{-count} = 2.481 > t\text{-table} = 1.680$ ). Based on these results, it can be concluded that an increase in the competitiveness of local fashion products contributes to a decrease in the purchase intention of imported products among Generation Z..*

**Keywords:** Local-Imported Product Purchase Intention

**Introduction**

The movement of the fashion industry in Indonesia shows a significant increase in line with global trend changes and public consumption patterns, especially among "Net-Gen" who are included in the consumer group in an environment connected to technological developments. Amidst rapid globalization and the increasing ease of access and consumption of imported fashion products by young Indonesians, this poses a major challenge for local creative industry players, particularly in maintaining the relevance and competitiveness of domestic fashion products.

Observations made in the last 5 years show a disparity in views between local and imported products, especially in urban youth markets like Bandung. Despite government efforts to boost the growth of the creative economy through the promotion of local products, the reality is that purchase intention for local products often loses out to imported products, which are perceived to have more modern designs, higher quality, or a more prestigious brand image.

Several reviews from direct observations of consumer behavior in several shopping centers and digital marketplaces in Bandung indicate that varying material quality, more contemporary product designs, and the easy accessibility of trending product information on social media are reasons consumers choose imported fashion products. Meanwhile, local products, despite showing progress in terms of design and creativity, still face obstacles in consumer trust regarding quality and brand consistency. The main problem arising from this phenomenon is the weak competitiveness of local fashion products in the face of globalization, which ultimately leads to low purchase intention of domestic products among local consumers.

In this context, this research not only explains the relationship between the variables studied but also attempts to provide a real picture of the local fashion market condition from the perspective of young Indonesian consumers. This study focuses on analyzing the influence of local fashion product competitiveness, which includes dimensions of price, quality, design, innovation, and brand awareness, on the purchase intention of imported products among Generation Z in Bandung. The research data was obtained through a quantitative measurement approach and a single-variable linear relationship parametric test method (simple linear regression).

The results of this study are expected to provide academic benefits in the field of marketing management, especially on topics of consumer behavior and local product competitiveness. On the other hand, it can be used as a guide for local fashion business actors in formulating more relevant marketing strategies according to the needs and characteristics of Generation Z.

This research is supported by several literature reviews as a basis for its composition. (Dharmmesta, 2022) explains that modern marketing requires companies to develop strategies that cover the entire marketing mix (product, price, distribution, and promotion) to create superior value and build long-term relationships with consumers. Meanwhile, the success of local fashion businesses is also determined by how they utilize marketing strategies tailored to the target market. This aligns with research conducted by (Nadiya et al., 2023) that the success of marketing strategies is strongly influenced by their ability to maximize the use of digital media, produce relevant content for the youth market, and adapt product designs to global fashion trends. On the other hand, (CRME, C., Subagio, N. A., Hanim, A., Utami, C. W., & CLC, 2024) emphasize that the consumptive behavior of Gen Z is often influenced by psychological and social factors such as hedonistic

motivation and the Fear of Missing Out (*FoMO*) phenomenon, which encourage impulsive purchasing decisions. By looking at previous theories, this research attempts to combine conceptual and practical aspects in answering real problems occurring in the field.

## Method

This research uses a quantitative measurement approach with a parametric test on a single-variable linear relationship or simple linear regression. The quantitative measurement approach was chosen because it is suitable for answering research problems that can be measured statistically, especially in analyzing the relationship between the independent variable (X), namely the competitiveness of local fashion products, and the dependent variable (Y), namely the purchase intention of imported fashion products among Generation Z. The single-variable linear relationship parametric test method is used to determine how much influence one independent variable has on one dependent variable in the form of a linear equation, as well as to test theories that have been formulated based on observations and previous literature studies.

### 1. Population and Research Sample

This research used a saturated sample from the Generation Z population born between approximately 1997-2012 and residing in Bandung City. Based on initial observations and a non-probabilistic approach, the number of Generation Z respondents reachable in this study was only 44. Thus, this research relies on primary data from a total of 44 respondents as a representative sample.

### 2. Data Collection Techniques

Data collection in this study was conducted by distributing several online questionnaires using a 1 to 5 rating scale format, reflecting the respondents' level of agreement with each statement. This rating allows for a measurable assessment of consumer attitudes, perceptions, and behavioral tendencies. The questionnaires were structured based on the indicators of the dependent and independent variables.

### 3. Variables and Research Indicators

In this study, there are two main variables:

- a. The indicators for the independent variable or free variable, which is the competitiveness of local fashion products (X), include product quality, product price, design and innovation, promotion, and brand image.
- b. Meanwhile, the indicators for the dependent variable or bound variable, which is the purchase intention of imported fashion products (Y), include interest, intention to search and buy, tendency to choose, social recommendation, lifestyle, and self-confidence.

### 4. Data Processing Techniques

Data processing from the results of the online questionnaire distribution was analyzed using a single-variable linear relationship parametric test and then processed using the Statistical Package for the Social Sciences (*SPSS*) software. This analysis involved:

- a. Testing the results of each question indicator to determine its validity or consistency.

- b. Identifying the magnitude of the influence of local product competitiveness on imported product purchase intention.
- c. Testing the coefficient of determination to understand the impact of local product competitiveness in explaining the imported product purchase intention variable.
- d. Testing the partial significance of the independent and dependent variables.

The form of the single-variable linear relationship parametric test equation used in this study is:

$$Y = a + bX$$

Where:

Y = Purchase intention for imported fashion products

X = Competitiveness of local fashion products

a = The intercept value on the y-axis when x=0

b = *Slope*

The results of this analysis were then used to test the research theory and draw conclusions on whether the competitiveness of local fashion products has a positive or negative influence on Generation Z's tendency to buy imported fashion products.

## Results and discussion

This research involved 44 Generation Z respondents in Bandung. Based on the data, the local fashion product competitiveness variable (X) had an average value of 59.82 with a standard deviation of 7.70, while the imported fashion product purchase intention variable (Y) had an average value of 45.50 with a standard deviation of 11.18. In Figure 2. Normal P-P Plot, the points that remain close to or follow the diagonal line indicate that the residual values are normally distributed.

**One-Sample Kolmogorov-Smirnov Test**

		Produk Lokal	Minat Beli
N		44	44
Normal Parameters <sup>a,b</sup>	Mean	59.8182	45.5000
	Std. Deviation	7.70464	11.18450
Most Extreme Differences	Absolute	.098	.150
	Positive	.098	.150
	Negative	-.052	-.099
Test Statistic		.098	.150
Asymp. Sig. (2-tailed) <sup>c</sup>		.200 <sup>d</sup>	.014
Monte Carlo Sig. (2-tailed) <sup>e</sup>	Sig.	.341	.014
	90% Confidence Interval	Lower Bound	.329
		Upper Bound	.353

a. Test distribution is Normal.  
 b. Calculated from data.  
 c. Lilliefors Significance Correction.  
 d. This is a lower bound of the true significance.  
 e. Lilliefors' method based on 10000 Monte Carlo samples with starting seed 2000000.

Figure 1  
Kolmogorov-Smirnov Test

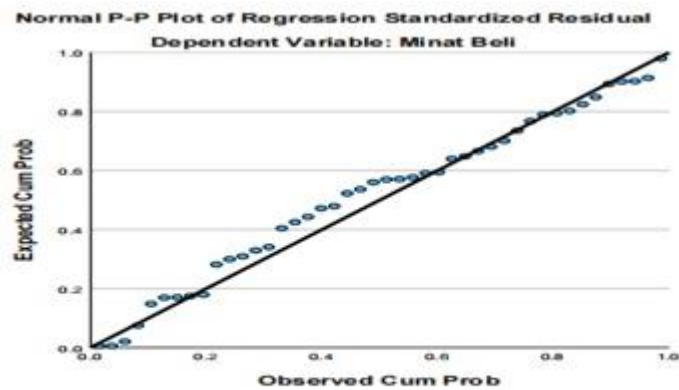


Figure 2

Normal P-P Plot of Standardized Residual Regression

a. Correlation Test

At this stage, the researcher used the Pearson product-moment validity test, which measures the direction and linear relationship between two variables to ensure valid data by comparing  $r$ -calculated  $>$   $r$ -table and significance  $< 0.05$ . Based on the results, for variables X and Y with 44 respondents, the  $r$ -calculated  $>$   $r$ -table (0.297). The significance of  $r$ -calculated is  $0.001 < 0.05$ .

b. Reliability Test

Variabel			
X		Y	
Reliability Statistics		Reliability Statistics	
Cronbach's Alpha	N of Items	Cronbach's Alpha	N of Items
.904	15	.944	15

Figure 3

Reliability Test of Variable X and Variable Y

In the reliability test, the condition used to measure a variable as reliable is if the calculated Cronbach's Alpha ( $\alpha$ ) value  $> 0.7$ . Thus, the results of the data calculation show that Variable X = 0.904 and Y = 0.944 have a good level of reliability and can be used for further testing.

c. Linearity Test

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	687.794	1	687.794	6.158	.017 <sup>b</sup>
	Residual	4691.206	42	111.695		
	Total	5379.000	43			

a. Dependent Variable: Minat Beli

b. Predictors: (Constant), Daya Saing

Figure 4

ANOVA Table for Linearity Test

The simple regression hypothesis conditions used are:

- H0 = No effect if sig < 0.05

- H1 = Effect if sig > 0.05 Based on the results of the simple regression linearity test between variables X and Y, a significance value of  $0.017 < 0.05$  was obtained, thus H0 is rejected, meaning variable X influences variable Y. Berdasarkan hasil uji linearitas regresi sederhana antara variabel X dan Y diperoleh nilai signifikansi  $0.017 < 0.05$ , maka H0 ditolak, jadi variabel X berpengaruh terhadap variabel Y.

d. Simple Linear Regression Test

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	14.449	12.614	1.145	.259
	PRODUK LOKAL	.519	.209	.358	.017

a. Dependent Variable: PRODUK IMPORT

Figure 5

### Linear Regression Test

Based on these results, the following equation is obtained:

$$Y = 14,449 + 0,519X$$

Where:

Y = Purchase intention for imported fashion products

X = Competitiveness of local fashion products

14,449 = Intercept value on the y-axis when x=0

0,519 = Slope

The regression coefficient value indicates that every 1 unit increase in the local product competitiveness score will decrease the purchase intention for imported products by 0.519. The R<sup>2</sup> range is from 0 to 1; if the value approaches 1, the coefficient of determination is considered better. The influence of the independent variable x (competitiveness) on the dependent variable y (purchase intention) is a coefficient of determination (R<sup>2</sup>) of 12.8%, with the remaining portion caused by other factors.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.358 <sup>a</sup>	.128	.107	10.56860

a. Predictors: (Constant), PRODUK LOKAL

Figure 6

### Coefficient of Determination (R<sup>2</sup>)

e. T-Test (Parcial)

The t-count value is  $2.481 > t\text{-table } 1.680$  ( $n = 44$ ) and the significance value is  $0.017$  ( $p < 0.05$ ), which means that the competitiveness of local products significantly influences the purchase intention of imported products. (See Figure 5. Linear Regression Test)

The research results show that there is a positive and significant influence between the competitiveness of local fashion products and the purchase intention of imported products. Although the coefficient direction is mathematically positive (because the Y value is defined as the score of interest in imported products), the

implication is that an increased perception of local product competitiveness actually contributes to a decreased interest in imported products. This can be interpreted as consumers' preference for imported products decreasing when they perceive an increase in the quality, price, design, and cultural value of local products. Although the influence of local product competitiveness on imported purchase intention is relatively small ( $R^2 = 0.128$ ), this finding still provides a positive signal that improvements in competitiveness aspects, especially quality, design, and cultural value, can be an effective strategy to reduce market dependence on foreign products, especially in the urban youth consumer segment.

### **Conclusion and Suggestions**

Based on the data processing results, this study concludes that the perception of local fashion product competitiveness has a significant influence on the purchase intention of imported products among Generation Z. This study reveals that the competitiveness of local products, which includes aspects of quality, price, design, promotion, and brand image, has the power to challenge the dominance of imported products in the domestic market, although the contribution of the purchase intention variable is still partial. From an academic perspective, this research supports some previous study results, such as those put forward by (Kempa & Budianto, 2025) who state that the quality and design of local products are key factors in attracting Generation Z's purchase intention towards local fashion, in addition to ethnocentric sentiments that influence their purchasing decisions. However, unlike their findings which highlighted the dominance of imported products as a result of weak local positioning, this study shows that local competitiveness has begun to measurably influence purchase intention..

Thus, this research provides a new perspective on imported products strategically through increasing competitiveness relevant to the characteristics of Generation Z and states that the strength of local products to compete does not lie in imitating foreign products, but in their ability to create an authentic and meaningful value proposition for today's consumers.

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